

**EXHIBIT 10**

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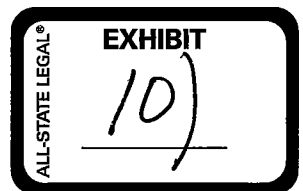
IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MARYLAND

XEROX CORPORATION, :  
Plaintiff :  
Vs. : CIVIL ACTION NO.  
PHOENIX COLOR CORPORATION: L-02-CV-1734  
and TECHNIGRAPHIX, INC., :  
Defendants :

Deposition of BRUCE M. NUSSBAUM, taken  
on Tuesday, February 25, 2003, at 1:07 p.m., at  
the offices of Piper Rudnick, 6225 Smith Avenue,  
Baltimore, Maryland, before Ilana E. Johnston,  
R.P.R. and Notary Public.

Reported by:  
Ilana E. Johnston, R.P.R.

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1 STATE OF MARYLAND SS:

2 I, Ilana E. Johnston, RPR and Notary  
3 Public of the State of Maryland, do hereby  
4 certify that the within named, BRUCE M. NUSSBAUM,  
5 personally appeared before me at the time and  
6 place herein set out, and after having been duly  
7 sworn by me, was interrogated by counsel.

8 I further certify that the examination  
9 was recorded stenographically by me and this  
10 transcript is a true record of the proceedings.

11 I further certify that the stipulations  
12 contained herein were entered into by counsel in  
13 my presence.

14 I further certify that I am not of  
15 counsel to any of the parties, nor an employee of  
16 counsel, nor related to any of the parties, nor in  
17 any way interested in the outcome of this action.

18 As witness my hand and notarial seal  
19 this 28th day of February, 2003.

20 My commission expires \_\_\_\_\_

21 December 1, 2004

Notary Public

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1 at Northrup Grumman?

2 A. After I left Xerox I went and became a  
3 sales manager at a company called Future Link in  
4 Beltsville, Maryland.

5 Q. How long did you work at Future Link?

6 A. Oh, let's see. I worked there for about  
7 a year and a half before the company folded.

8 Q. Okay. Could you give me some date  
9 restrictions perhaps from the time that you  
10 worked at Future Link, the time you began to the  
11 time that you ended?

12 A. Restrictions?

13 Q. The dates that you worked.

14 A. There's nothing restricted about it. I  
15 left Xerox in roughly, I kind of remember this  
16 because I came back from President's Club at  
17 Xerox end of March and I started in April of  
18 2000.

19 Q. April of 2000 you began working at  
20 Future Link, approximately?

21 A. Correct, a Citrix integrator, ASB want

4 Q. Since the time you left Xerox have you  
5 had any discussions with anyone at Xerox about  
6 the TechniGraphix or Phoenix Color accounts?

7 A. In passing, yes.

8 Q. Who did you have these discussions with?

9 A. Let's see. I've had some discussions  
10 with Ted Berghane, Craig Wishner.

11 Q. I'm sorry. Ted Berghane?

12 A. B-e-r-g-h-a-n-e. A lot of the guys on  
13 my old sales team.

14 Q. What's his capacity at Xerox?

15 A. He doesn't work at Xerox anymore.

16 Q. Why did you discuss these old accounts  
17 with him since you left Xerox?

18 A. Because when I heard that I was going to  
19 be called for a case I said do you know I'm going  
20 to be called for a case. That's the reason, was  
21 for Phoenix Color. Xerox didn't get paid by  
Phoenix Color, so it's a lawsuit. That was the  
course of the discussion.

Q. Who else?

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1 A. Toby Tobin.

2 Q. Let's go back to Tobin for a second. Did  
3 Tobin call you?

4 A. Yes.

5 Q. When did he call you?

6 A. A couple months back.

7 Q. Had you talked to him since the time  
8 that you stopped working at Xerox before he  
9 called you?

10 A. Yeah. I've run into him a couple times,  
11 little league baseball games. I never talked  
12 about Phoenix Color.

13 Q. Didn't he move out of state?

14 A. I don't know. He was out of state for a  
15 long time in Rochester, came back, and from what  
16 I understand moved out again just now, just  
17 recently.

18 Q. What did Toby Tobin say about this case?

19 A. Just that Xerox is finally going after  
20 Phoenix for nonpayment.

21 Q. Do you remember anything more specific

1 other than that?

2 A. He says you may be called, you may be  
3 called. I said no, thank you.

4 Q. Who else?

5 A. He asked for Jonathan Frances' phone  
6 number or if I knew where Jonathan was.

7 Q. Do you know where Jonathan is?

8 A. He's at AT&T.

9 Q. AT&T, where's that?

10 A. Virginia. I don't know exactly.

11 Q. Do you know his phone number?

12 A. Yeah, I probably have it.

13 Q. Do you have it with you today?

14 A. Yes.

15 Q. Could you give it to me?

16 A. 703-506-5129.

17 Q. I'm sorry. Could you repeat that?

18 A. 703-506-5129.

19 Q. Do you know if that's his home or work  
20 number?

21 A. Work. That's the only number I got.

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1 they could?

2 A. No.

3 Q. Okay. You had a discussion with  
4 Mr. Friedman; is that right?

5 A. I talked to him and we kind of -- it got  
6 kind of cut off.

7 Q. Okay. And just one discussion?

8 A. One discussion.

9 Q. When you say it got kind of cut off,  
10 what do you mean?

11 A. I was, you know, believe it or not, I do  
12 work, and I was -- I don't know what was  
13 happening with my account base, but I was having  
14 a very very busy day at work, and I don't  
15 remember what cut it off.

16 And we just never hooked back up, and I  
17 should have probably called him back, and I never  
18 did because I think the next day or so I was  
19 served. And I was so happy to be served that I  
20 just said well, I'll just tell you.

21 Q. Why were you happy to be served?



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A. Credit is just one component of the order approval.

Q. Right, right. And then it goes a level above that; is that accurate?

A. I don't know. I don't know about that.

Q. But order administration, that's Jim Burkey's department?

A. No, he's credit as far as I understand.

Q. Who would be order administration?

A. I don't know now. I have no idea. I couldn't even tell you who it was. I mean, you've got people that are -- there are hundreds of orders in the system. And basically credit was one component for order approval.

Q. Now, this document, the customer legal name, what does it say the customer legal name is?

A. Are we talking about 2505?

Q. That's right.

A. It says, as you see, Phoenix Color Corp.

Q. But the document previous 2503 says

something different, right?

A. 2503?

Q. Yes.

A. And you'll notice the big difference, don't you?

Q. What does it say?

A. One is in Sterling and one is in Hagerstown.

Q. Is that the distinction to you?

A. That is the distinction. There was -- it was not -- and it was some of that reasoning that leads me to tell you that that's why I think -- I don't recall if the TechniGraphix name lived on other than once it became a Maryland -- once it moved up to Maryland other than in some customers that they had retained. I don't know.

Q. Do you remember any discussion as to whether you should change the customer legal name from TechniGraphix, a wholly owned subsidiary of Phoenix Color, to Phoenix Color Corp.?

A. With who?

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1 Q. With anyone at Xerox at any time.

2 A. No. Early on, you know, TechniGraphix  
3 before it was bought by Phoenix Color --

4 Q. I'm sorry. I just asked a direct  
5 question. Do you remember any discussions with  
6 anyone at Xerox about whether the customer legal  
7 name should be changed from TechniGraphix, a  
8 wholly owned subsidiary of the Phoenix Color, to  
9 Phoenix Color?

10 A. No.

11 Q. Okay. Thank you. Now, you can  
12 finish. Go ahead.

13 A. It doesn't matter. I forgot what I was  
14 going to say.

15 Q. Okay.

16 A. I think I'm being too forthcoming.

17 Q. And your understanding as to why the  
18 legal name change had everything to do with the  
19 fact that the operations moved from Virginia to  
20 Maryland; is that right?

21 A. No, you asked me what the difference

was, and I told you what I thought it was.

Q. Why did you fill it out differently?

A. There was no more TechniGraphix location.

Q. Okay. Let's go to the next page, 2505.

MR. FRIEDMAN: You just did that one.

MR. GAUMONT: No, we did 2504.

Q. 2505, could you identify, other than, other than Donald Tyler's signature in the lower right corner, could you identify the handwriting that's on this page throughout the document?

A. It looks like mine. I don't know if the 95 number was written by me. I'm pretty sure it was. It might have been written by Jonathan, but I generally filled out the order agreements. You can see -- I'll show you an omission. I didn't include the negotiated contract number. I just was haphazard.

Q. Okay. But this order was for a 6180, right?

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1 A. No, this was a modification, it looks  
2 like.

3 Q. It looks like --

4 A. It replaced an original order of a 6180  
5 to add a -- this added a stacker. See, they  
6 wanted a special -- that's all this was. So this  
7 took the 6180 that was there that was associated  
8 with this finance number, that's what we call  
9 effectively this 95 number, and it replaced it.

10 The reason it was for 59 months is  
11 that's what was left. We made it concurrent. So  
12 that if you're adding a \$100,000 component to a  
13 6180, it would now be a new contract that  
14 replaces the old one with an increased price for  
15 this amount of months, same 95 number.

16 Q. Any understanding as to why it was for  
17 59 months, not 60?

18 A. I just told you.

19 Q. Right.

20 A. If you just ask questions --

21 Q. Any understanding as to whether Don



Tyler requested that this term be reduced from 60 to 59?

A. He did not. I'm trying to tell you what was responsible for that. Maybe I'm being too honest. And I think that's the problem. I should just -- you ask the question. I'll give you yes or no.

The reality is this -- he added a component. The only way to do it at Xerox, as kludgy as this sounds, is take an existing contract that's associated with this number that happens to start with 95, and they replace it, the whole new system, which has some value, for whatever months are remaining, and that becomes the contract. And that's all this was, was when he added this stacker.

Q. Let's go to the next page. This is TGI-002506. Whose signature is in the lower right corner to the best of your knowledge?

A. The lower right-hand corner?

Q. Right.

1 A. It looks like the same signature, Donald  
2 Tyler.

3 Q. And do you know whose handwriting is  
4 throughout the document?

5 A. It appears to be mine.

6 Q. Including putting in the title  
7 vice-president Phoenix Color, VP Phoenix Color?

8 A. Yep.

9 Q. Okay. And do you have any recollection  
10 of making this modification in December of 1999?  
11 Do you recall the circumstances surrounding it?

12 A. No, but when I look at it, what comes to  
13 mind is he was adding this component right, here  
14 this listing that designated a component.

15 MR. FRIEDMAN: Read it.

16 A. The N gate, the A gate, the PH hub, the  
17 NSP kit 3, some type of kit. I don't know. And  
18 that necessitated a contract  
19 replacement/modification. This was not a new  
20 6180.

21 Q. So as far as you're concerned, the only



thing that this contract did to the previous contract was add these new components?

A. And change the term, I mean, you know, change the payment and the term.

Q. Okay. So it added a component, right, and it lowered the term from 60 months to 59 months? Did it do anything else to your understanding when you filled out this document?

A. As I look at it, that's what it appears to be.

Q. Okay. Let's go to the next page, 2507. Do you recognize the signature on the lower right corner?

A. Yes, sir.

Q. Whose signature is that?

A. Same, Donald Tyler.

Q. Do you recognize the handwriting throughout the document?

A. Yes, I do.

Q. Whose handwriting is that?

A. Mine.

1 Q. Okay. Including the title VP Phoenix  
2 Color, right?

3 A. Yes.

4 Q. Including the customer legal name  
5 Phoenix Color Corp.; is that correct?

6 A. Absolutely.

7 Q. Okay. And what is your understanding of  
8 what this document did with respect to the  
9 contract that it was modifying?

10 A. According to the document, it says it's  
11 a replacement/modification of a prior Xerox  
12 agreement. I checked it. And the prior Xerox  
13 agreement that it is replacing or modifying is  
14 this number. That's what I understand.

15 Q. What is it doing that the previous  
16 contract did not do?

17 A. You're adding the stacker. I mean, this  
18 is the -- this is what he was doing. He was  
19 adding a component.

20 Q. Adding a component and lowering the term  
21 from 60 months to 59.

A. It might not have been lowering it. It starts out a 60-month contract.

Q. Okay.

A. It might have been 59 left. He might have said hey, you know, I wanted to get the stackers with those, why didn't you do that. Well, you didn't tell me when we first did it. I want the stackers. The paperwork is necessary.

Q. Did this contract do anything other than change the terms you just talked about?

A. I don't believe so.

Q. Okay. Next page, 2508. Whose signature in the lower right, if you can identify it?

A. It is the same signature of Donald Tyler.

Q. And whose handwriting is throughout that document?

A. The lower right-hand; is that what you meant?

Q. Yes. And whose handwriting is throughout the document?

A. It appears to be mine.

Q. Okay. This document is dated 12/10/99;  
is that right?

A. Yep. It looks like they're all done the  
same day.

Q. Okay. What was -- what changed with  
respect to this -- this is a contract  
modification, and what was the new term with  
respect to this contract?

A. This, if I'm looking at this and I have  
to make an opinion, all these contracts, and  
they're mixed 6100s, and they're all on the same  
day, usually you're lengthening what's left and  
you're giving one group amount of months left on  
the contract instead of some that are coming up  
in 40 months and 30 months and 60 months.

Q. Well, let's go through from 2509, and  
I'll just ask you to look at 2510, 11, 12, 13,  
14, 15, 16, 17, all the way up to --

A. Are they all done the same day?

Q. -- all the way up to 19.

8 A. Are they all done on the same day?

9 Q. Yes.

10 A. They are all different equipment. That  
11 tells me usually, when they're done on the same  
12 day and it's all the equipment, that you're  
13 trying to get a lower payment. This may have  
14 been a genesis from one of the Ed Lieberman  
15 meetings. I don't recall.

16 Q. And do you remember any discussions with  
17 anyone at TechniGraphix or Phoenix Color about  
18 changing the name of the contracting party with  
19 respect to these contracts?

20 A. You mean to Phoenix Color?

21 Q. Changing the name from TechniGraphix to  
Phoenix Color.

A. No.

Q. You recall no discussions with anyone  
from TechniGraphix or Phoenix Color about that.

A. No.

Q. Okay. Let's go to the next page. Oh,  
let me just ask you if you can look through from



signature on the lower right-hand corner is there any other handwriting on this document that is not your own?

A. The first page I don't see my own.

Q. Okay. How about the next page?

A. Next where it says DocuSheeter 6180 is mine, Bruce Nussbaum, Donald Tyler, VP Phoenix Color.

Q. Is that all your handwriting?

A. Yes.

Q. Okay.

A. This is another one of the 6180s that I wrote.

Q. Okay. Your handwriting throughout the whole page with the exception of Don Tyler's signature; is that right?

A. Except for the printed part where it says Phoenix Color and --

Q. And that's typewritten.

A. Right, it was generated, but they had perfected finally some type of system that was in

1 conjunction with the pricing system that  
2 automatically generated documents. It got more  
3 accurate, tedious, but accurate.

4 Q. Looking throughout this whole document,  
5 with the exception of the typewritten parts and  
6 Don Tyler's signature in the lower right corner,  
7 is there anyone else's handwriting other than  
8 yours?

9 A. To the best of my knowledge, I don't see  
10 any other than Donald Tyler's on this group of  
11 documents.

12 Q. Other than Donald Tyler's signature in  
13 the lower right corner; is that right?

14 A. Correct.

15 (Whereupon, Nussbaum Deposition  
16 Exhibit No. 35, Xerox Order Agreement, marked.)

17 Q. Could you look at this document and  
18 identify it?

19 A. Yep.

20 Q. What is it?

21 A. It looks like a DocuSheeter 100, excuse



MR. FRIEDMAN: Yes.

(Examination concluded -- 5:16 p.m.)

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